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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 15 March 2018 from the Permanent Mission of China to the United Nations addressed to the Chair of the Committee

The Permanent Mission of the People's Republic of China to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolutions 1718 (2006) and, in accordance with paragraph 17 of Security Council resolution 2397 (2017), has the honour to submit the attached report of China on the implementation of resolution 2397 (2017) (see annex).

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Annex to the note verbale dated 15 March 2018 from the Permanent Mission of China to the United Nations addressed to the Chair of the Committee

[Original: Chinese]

Report of China on the implementation of Security Council resolution 2397 (2017)

1. China supports Security Council resolution 2397 (2017). The resolution clearly states that the international community is firmly opposed to the launching of ballistic missiles and the engagement in nuclear-development activities by the Democratic People's Republic of Korea, while remaining committed to resolving the problem of the Korean peninsula by peaceful, diplomatic and political means. The resolution reaffirms support for the Six-Party Talks and calls for their resumption, while emphasizing that the implementation of the resolution must have no adverse humanitarian effects on the people of the Democratic People's Republic of Korea and their livelihood.

2. China has consistently taken a responsible attitude towards fulfilling its international obligations under the Charter of the United Nations and towards implementing the resolutions of the Security Council, and has put in place a series of effective operational mechanisms and practices. Following the adoption of resolution 2397 (2017), the Ministry of Foreign Affairs of the People's Republic of China, with the authorization of the State Council, issued a circular requiring implementation of the resolution by all Chinese Government ministries and commissions, provinces, autonomous regions and province-level municipalities, as well as the Hong Kong and Macao Special Administrative Regions.

3. China has taken the following measures to implement Security Council resolution 2397 (2017):

(a) On 5 January 2018, in accordance with the Foreign Trade Law of the People's Republic of China, the Chinese Ministry of Commerce and the General Administration of Customs issued Announcement No. 4, which: (1) completely prohibits, with effect from the date of the Announcement, the export of iron, steel and other metals, industrial machinery, and transportation vehicles to the Democratic People's Republic of Korea; (2) limits exports of crude oil to the Democratic People's Republic of Korea. From 23 December 2017 to 22 December 2018 and for each twelve-month period thereafter, exports of crude oil to the Democratic People's Republic of Korea by individual States may not exceed 4 million barrels or 525,000 tons; from 1 January 2018 to 31 December 2018, exports of refined petroleum products to the Democratic People's Republic of Korea by each United Nations Member State may not exceed 500,000 barrels. When the upper-limit amount is approached, the competent authorities of the Chinese Government shall issue, on the basis of the export situation, an Announcement completely banning the export of refined petroleum products to the Democratic People's Republic of Korea for that year with effect from the date of the Announcement, and requiring that the supply, sale or transfer of refined petroleum products do not involve the nuclear or ballistic missile programmes of the Democratic People's Republic of Korea prohibited by United Nations Security Council resolutions but must be exclusively for livelihood purposes of Democratic People's Republic of Korea nationals, and are unrelated to generating revenue for the nuclear or ballistic missile programmes of the Democratic People's Republic of Korea; and (3) completely prohibits, with effect from the date of implementation of the Announcement, imports from the Democratic People's Republic of Korea of some grains and agricultural products, earth and stone

(including magnesite and magnesia), wood, machinery, electrical equipment and vessels. The import of items for which written contracts were signed prior to the date of adoption of the resolution and for which customs import formalities were completed prior to midnight on 22 January 2018 may proceed. Beginning at the zero hour on 23 January 2018, import formalities for the aforementioned products (including cargoes whose customs declarations have been accepted but for which port-release formalities have not been completed) will no longer be carried out, and all such products will thenceforth be handled as prohibited-import cargoes.

(b) On 14 February 2018, in accordance with the Foreign Trade Law and the Administrative Licence Law of the People's Republic of China, the State Administration of Foreign Experts Affairs issued Announcement no. 1, stipulating that the "permits for foreigners to work in China" issued to citizens of the Democratic People's Republic of Korea in accordance with Administration of Foreign Experts Affairs Announcements 1 and 2 of 2017 may not be extended beyond 22 December 2019 if the recipients of such permits are "citizens of the Democratic People's Republic of Korea earning incomes" on Chinese territory.

(c) On 29 January 2018, the Chinese Ministry of Transport issued an announcement prohibiting (1) the entry into port of vessels transporting Democratic People's Republic of Korea-related goods embargoed under Security Council resolutions and which have been included on the Security Council sanctions list; (2) the chartering of vessels flagged by the Democratic People's Republic of Korea by Chinese citizens and enterprises; (3) the provision of shipping-flag registration and insurance, reinsurance, grade certification and other services for Democratic People's Republic of Korea vessels; and (4) the participation of vessels belonging to Chinese citizens or enterprises in "ship-to-ship" transfers of Democratic People's Republic of Korea-related cargoes on the high seas.

(d) To implement the requirements of Security Council resolutions on sanctions relating to the Democratic People's Republic of Korea, China has instituted a comprehensive system of export-control laws and regulations covering nuclear, biological, chemical and ballistic-missile related items and technologies. The regulatory scope of current Chinese export-control legislation is substantially the same as that of established international practice. It is on this basis that China will continue to implement Security Council sanctions resolutions relating to the Democratic People's Republic of Korea and the lists of items and technologies that the Democratic People's Republic of Korea is prohibited from procuring, as determined by the Committee.

(e) The Chinese Government has taken measures to require the freezing of funds, financial assets and economic resources on Chinese territory that are owned or controlled, directly or indirectly, by individuals or entities designated, under Security Council sanctions resolutions relating to the Democratic People's Republic of Korea or by the Committee, as being engaged in or providing support for, including through illicit means, nuclear-related, other weapons of mass destruction-related and ballistic missile-related programmes of the Democratic People's Republic of Korea, or by individuals or entities acting on their behalf or at their direction, as well as all funds, other financial assets, and economic resources outside the Democratic People's Republic of Korea that are directly or indirectly owned or controlled by individuals or entities acting on their behalf, and to ensure that Chinese nationals and any individuals or entities within Chinese territory are prevented from providing any funds, financial assets or economic resources to such individuals or entities.

The Chinese Government has taken measures to refuse entry to such sanctioned individuals and to close the representative offices in China of such sanctioned entities.

4. Under the "one country, two systems" principle, the Chinese Central Government is responsible for managing the foreign relations and defence of the Hong Kong and Macao Special Administrative Regions, while those Regions enjoy executive, legislative and independent judicial and final-adjudication powers. For that reason, the Hong Kong and Macao Special Administrative Regions shall, upon notification by the Central Government, formulate their own laws and regulations for the practical implementation of resolution 2397 (2017).

5. The Chinese Government is of the view that all countries have the duty to implement comprehensively and faithfully the sanctions provisions of resolution 2397 (2017), but it does not favour the arbitrary interpretation or expansion of the sanctions. Security Council resolution 2397 (2017) not only contains sanctions provisions, but also many other important elements such as support for and encouragement of the resumption of the Six-Party Talks, support for the commitments set forth in the September 2005 Joint Statement of the Fourth Round of the Six-Party Talks, and reiteration of the importance of maintaining the peace and stability of the Korean peninsula and north-east Asia at large, along with the Security Council's commitment to a peaceful, diplomatic, and political resolution of the situation, its welcoming of efforts by Council members as well as other States to facilitate a peaceful and comprehensive resolution of the issue through dialogue, and its emphasis on the importance of working to reduce tensions on the Korean peninsula and beyond. This resolution should be implemented in a comprehensive and balanced manner.

6. China has consistently advocated the denuclearization of the Korean peninsula, the maintenance of peace and stability there, and the resolution of problems through dialogue and consultation; it opposes war and chaos on the Korean peninsula. Sanctions are not a goal, and Security Council resolutions cannot fundamentally resolve the nuclear issue on the Korean peninsula. Dialogue and negotiation are the only correct path toward resolving that issue. The nuclear issue on the Korean peninsula must be resolved peacefully and policies must be implemented comprehensively to balance the reasonable security concerns of all parties.

China has made consistent and unremitting efforts to promote the denuclearization of the Korean peninsula and to safeguard its peace and stability. China's concept of "advancing in parallel" by simultaneously promoting the denuclearization of and establishment of peace mechanisms for the peninsula, along with the proposed "double suspension" of the nuclear and missile activities of the Democratic People's Republic of Korea and of the large-scale military exercises of the United States and the Republic of Korea, is an objective, fair and feasible plan that can open up a practical path toward resolving the problem of the Korean peninsula, and it is hoped that all parties can understand and support it.

7. China opposes the deployment of the Terminal High Altitude Area Defence anti-missile system on the peninsula. We also urge the States concerned to cease imposing unilateral sanctions on entities or individuals of other countries according to their own domestic legislation.